

FOR OFFICIAL USE ONLY

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
DEPARTMENT OF DEFENSE  
OF THE  
UNITED STATES OF AMERICA  
AND  
THE AUSTRALIAN DEPARTMENT OF DEFENCE  
FOR THE LOAN OF  
DEFENSE ADVANCED GLOBAL POSITIONING SYSTEM RECEIVER  
(DAGR)

2 Mar 2005

The Department of Defense (DoD) of the United States of America, hereinafter referred to as the "Providing Participant", and the Australian Department of Defence (ADOD), hereinafter referred to as the "Receiving Participant", recognizing the Exchange of Notes Constituting an Agreement between the Government of Australia and the United States of America Concerning the Establishment of Certain Mutual Defense Commitments done on 1 December 1995 (Chapeau Agreement) applies to this MOU; and desiring to gain the benefits of the loan of specified property of the Providing Participant, pursuant to the following provisions; have reached the following understandings:

## SECTION I

### DESCRIPTION AND QUANTITY

1.1. The following items (hereinafter referred to collectively as the "Property") will be loaned by the Providing Participant to the Receiving Participant:

<u>Quantity</u>	<u>Description</u>	<u>Part/Stock #1</u>	<u>Replacement Value</u>
10 2/	DAGR KITS	N/A	\$15,000
00	(\$2,500 each)		

Total Replacement Values in US\$: \$15,000

1.2. None of the Property identified above is intended to be consumed or expended in the course of the testing conducted under this MOU.

1.3. The loan period is from signature of this MOU until 1 November 2007, unless the latter date is extended pursuant to paragraph 12.2. In the event this MOU is terminated prior to expiration of the loan period, paragraph 3.4.5. applies.

## SECTION II

### OBJECTIVES

2.1. The overall objective of this MOU is to loan the Property for research, development, test, and evaluation purposes. The specific objectives of this MOU include:

2.1.1. Establishment of detailed arrangements between the Providing Participant and Receiving Participant for the loan of the Property.

2.1.2. Testing, evaluation, and analysis of the performance of the loaned Property by the Receiving Participant.

2.1.3. Provision of a report to the Providing Participant which describes results of the test and evaluation effort conducted by the Receiving Participant.

2.2. The mutual benefits provided under this MOU are:

- 2.2.1. An increased understanding of the performance of new Global Positioning System (GPS) technologies.
- 2.2.2. Validation of the acceptability and operability of this equipment to both Participants.
- 2.2.3. The unique Australian test range provides the US with characterization test data unobtainable at US test ranges and provides Australia with the opportunity to evaluate project equipment.
- 2.2.4. The execution of this program will promote and increase interoperability between the Participants.

### SECTION III

#### MANAGEMENT AND RESPONSIBILITIES

3.1. Each Participant will establish a point of contact who will be responsible for coordinating and monitoring the overall test and evaluation effort to ensure achievement of the MOU objectives. The Participants may advise each other, in writing, at any time of a change to the designated point of contact.

3.1.1. For the Providing Participant the point of contact is:

Ms. Nicole Grossman  
SMC/GPUR  
2435 Vella Way, Suite 1613  
El Segundo, CA 90245-5500  
Phone: 310-363-6325  
Fax: 310-363-3844  
[Nicole.grossman@losangeles.af.mil](mailto:Nicole.grossman@losangeles.af.mil)

3.1.2. For the Receiving Participant the point of contact is:

FLTLT Terry Pridham  
Navigation Warfare Systems Program Office  
Electronic Systems Division  
Defense Materiel Organisation  
CP3-5-156  
Campbell Park, Canberra ACT 2600  
Phone: (61) 2 6266 4050  
Fax: (61) 2 6266 4699  
[terry.pridham@defence.gov.au](mailto:terry.pridham@defence.gov.au)

3.2 Each Participant will also appoint Test Project Officer(s) who are responsible for implementing the responsibilities of the Participants as described herein. The Participants may advise each other, in writing, at any time of a change to the designated point of contact.

3.2.1. For the Providing Participant the Test Project Officer is:

Lt Jonathan Shultz  
SMC/GPUA  
2420 Vela Way, Suite 1467  
El Segundo, CA 90245-4659  
Phone: 310-363-5650  
Fax: 310-363-3844  
[jonathan.schultz@losangeles.af.mil](mailto:jonathan.schultz@losangeles.af.mil)

3.2.2. For the Receiving Participant the Test Project Officer is:

FLTLT Terry Pridham  
Navigation Warfare System Program Office  
Electronic Systems Division  
Defence Materiel Organisation  
CP3-5-156  
Campbell Park, Canberra ACT 2600  
Phone: +61 - 2 - 6266 4050  
Fax: +61 - 2 - 6266 4699  
[terry.pridham@defence.gov.au](mailto:terry.pridham@defence.gov.au)

### 3.3. RESPONSIBILITIES OF THE PROVIDING PARTICIPANT:

3.3.1. LOAN OF THE PROPERTY - The Providing Participant will loan the Property until testing and evaluation of the data is complete, or for the duration of the loan period, (including any extension thereof approved in writing by the Providing Participant), or termination of this MOU, whichever comes first. The Providing Participant's Test Project Officer(s) will advise the Receiving Participant's Test Project Officer(s) of any shipping details for the Property, and confirm the receipt of returned Property (or a certificate of its destruction).

3.3.2. PROPERTY DELIVERY - The Providing Participant will deliver the Property without charge to the Receiving Participant at: FLTLT Terry Pridham, Navigation Warfare System Program Office, Electronic Systems Division, Defence Materiel Organisation, CP3-5-156, Campbell Park, Canberra ACT 2600 Australia. Responsibility for, and possession of the Property will pass from the Providing Participant to the Receiving Participant at the time of receipt of the Property. Any further transportation of the Property is the responsibility of the Receiving Participant.

- 3.3.3. CONDITION - The Providing Participant will use its best efforts to ensure the Property is furnished to the Receiving Participant in a serviceable condition suitable for its intended purpose. However, the Providing Participant makes no warranty nor guarantee of fitness of the Property for a particular purpose or use, and the Providing Participant makes no arrangement to alter, improve, adapt, or repair the Property or any part thereof.
- 3.3.4. DOCUMENTATION - The Providing Participant will furnish the Receiving Participant such operation and maintenance information as is necessary to conduct the test.

3.4. RESPONSIBILITIES OF THE RECEIVING PARTICIPANT:

- 3.4.1. The Receiving Participant will appoint a representative for the purpose of making an inspection and inventory of the Property at the time of receipt of the Property and again when the Property is returned. The Receiving Participant's Test Project Officer(s) will acknowledge receipt of the Property, advise when the Property is returned upon completion of the tests (or issue a certificate of destruction) in accordance with paragraph 3.4.5., and provide a test report as described in paragraph 3.4.6.
- 3.4.2. INSTALLATION - The Receiving Participant will be responsible for supplies and services required to properly install, align, and check out, and otherwise make the Property ready for testing.
- 3.4.3. TRAINING - The Receiving Participant will be responsible for obtaining operation and maintenance training for those personnel of the Receiving Participant assigned to operate and maintain the Property during the loan period.
- 3.4.4. OPERATION AND MAINTENANCE OF THE PROPERTY - The Receiving Participant will be responsible for all operation and maintenance required on the Property while in its possession.
- 3.4.5. REMOVAL AND RETURN OF EQUIPMENT; RESPONSIBILITY FOR DAMAGED OR RETURNED PROPERTY - Upon completion of testing and evaluation or expiration of the loan period (taking into account any approved extension of the loan period by the Providing Participant), or termination of this MOU pursuant to paragraph 12.3., whichever occurs first, the Receiving Participant will return the Property in good order, repair and operable condition. Unless the Providing Participant has authorized the Property to be expended or otherwise consumed without reimbursement to the Providing Participant, the Receiving Participant will return the Property to the location specified in

paragraph 3.3.2., or to another mutually determined site, and pay the cost to restore it. If the Property is damaged beyond economical repair, the Receiving Participant will return the Property to the Providing Participant (unless otherwise specified in writing by the Providing Participant) to the location specified in paragraph 3.3.2., or to another mutually determined site and pay its replacement value as specified in paragraph 1.1, which has been computed pursuant to the Providing Participant's national laws and regulations, less the amount mutually determined to represent reasonable wear and tear for the period of possession. If the Property is lost while in the custody of the Receiving Participant, the Receiving Participant will issue a certificate of loss to the Providing Participant and pay the replacement value as specified in paragraph 1.1, less the amount mutually determined to represent reasonable wear and tear for the period of possession.

- 3.4.6. TEST REPORT – The Receiving Participant will furnish the Providing Participant a test report in accordance with this MOU. The test report will be provided without charge and will be furnished to the Providing Participant no later than 180 days after completion of the testing. The format and content of the report will reflect the Objectives (Section II) of this MOU.

3.5. This MOU provides only for the loan of Property for research, development, test and evaluation purposes. Participation in this MOU does not imply any intention by either Participant to participate in any follow-on efforts beyond the scope of this MOU including the exchange of any additional information. Any other efforts will be established through separate arrangements.

#### SECTION IV

##### FINANCIAL ARRANGEMENTS

- 4.1. There are no charges for the loan of the Property or for the test report.
- 4.2. Each Participant will fully bear all costs it incurs for performing, managing, and administering its activities under this MOU.
- 4.3. The Receiving Participant is responsible for all costs of transportation including preparation, packing and applicable customs charges within its country.

#### SECTION V

##### PROPERTY RIGHTS AND RESTRICTIONS

- 5.1. The Providing Participant retains title to all Property loaned under this MOU.

5.2. The Receiving Participant will make no changes or alterations to the Property except with the prior written approval of the Providing Participant.

5.3. The Property will be loaned only for the purpose set forth in Section II (Objectives). No other use of the Property by the Receiving Participant is authorized.

5.4. Information furnished by the Providing Participant to the Receiving Participant will be used by the Receiving Participant for operation and maintenance of the Property only, except as otherwise stated in this MOU.

5.5. Information generated under this MOU may be used by either Participant for Defense Purposes. In this MOU, the term "Defense Purposes" means the manufacture or other use in any part of the world by or for the armed forces of either Participant.

5.6. No intellectual property rights, other than as set out in this MOU, are created or conveyed by this MOU. The Participants will ensure, by all means available to them, the protection of property rights in the Property, test data and other information provided or generated under this MOU, whether subject to patent (or like protection) or not.

5.7. Any specification, production information, or manufacturing know-how incidentally derived from the performance of the provisions of this MOU will be used and fully protected in accordance with this MOU.

5.8. The Participants mutually determine that this MOU provides the authority for the exchange of information as set forth in paragraph 3.3.4. and 3.4.6. only.

## SECTION VI

### RELEASE OF INFORMATION UNDER LEGISLATIVE PROVISIONS

6.1. Each Participant will take all appropriate lawful steps available to it to keep both classified information provided or generated under this MOU and unclassified information that is provided or generated with the condition that it is to be treated in confidence, free from unauthorized disclosure. In the event of unauthorized disclosure or if it becomes probable that such information may have to be disclosed under any legislative provision, immediate notification will be given to the other Participant.

6.2. Such information will be safeguarded in a manner that ensures its proper protection from unauthorized disclosure.

6.3. To assist in providing this protection, the information will be marked with a legend containing the country of origin, a reference to this MOU, the security classification, if any, and if the information is unclassified but is to be treated in confidence, the provisions of release and a statement to the effect that the information is furnished in confidence.

## SECTION VII

### VISITS TO ESTABLISHMENTS

7.1. Each Participant will permit visits to its government establishments, agencies, and laboratories, and contractor industrial facilities by employees of the other Participant or the other Participant's contractor(s), provided that the visit is authorized by both Participants and the employees have appropriate security clearances and a need-to-know. Approved visits will be accommodated on a not-to-interfere basis.

7.2. All visiting personnel will be required to comply with security regulations of the host Participant. Any information disclosed or made available to visitors will be treated as if supplied to the Participant sponsoring the visiting personnel, and will be subject to the provisions of this MOU.

7.3. Requests for visits by personnel of one Participant to a facility of the other Participant will be coordinated through official channels (including the Designated Security Authorities), will cite this MOU as the basis for such requests, and will conform with the established visit procedures of the host Participant.

7.4. Lists of personnel of each Participant required to visit on a continuing basis facilities of the other Participant, will be submitted through official channels in accordance with recurring international visit procedures.

## SECTION VIII

### SECURITY

8.1. All classified information and Property provided or generated pursuant to this MOU will be stored, handled, transmitted and safeguarded in accordance with the Agreement between the Government of Australia and the Government of the United States of America concerning Security Measures for the Protection of Classified Information which entered into force on 7 November 2002.

8.1.1. Access to information and Property will be limited to such personnel who have an appropriate security clearance and need-to-know.

8.2. Classified information and Property will be transferred only through official government-to-government channels or through channels approved by the Designated Security Authorities of the Participants. Such classified information and Property will bear the level of classification, denote the country of origin, the conditions of release, and the fact that the classified information and Property relates to this MOU.



8.3. Each Participant will ensure in a manner consistent with its laws and regulations that classified information and Property provided or generated pursuant to this MOU is protected from further disclosure, except as permitted by paragraph 6.1, unless the other Participant consents to such disclosure. Accordingly, each Participant will ensure that:

8.3.1. The recipient will not release the classified information and Property to any government, national organization, or other entity of a Third Party without the prior written consent of the originating Participant in accordance with the procedures set forth in Section IX (Third Party Transfers).

8.3.2. The recipient will not use the classified information and Property for other than the purposes provided for in this MOU.

8.3.3. The recipient will comply with any distribution and access restrictions on classified information and Property that is provided under this MOU.

8.4. The following security classifications apply:

8.4.1. The Property is UNCLASSIFIED.

8.4.2. The Project is UNCLASSIFIED.

8.4.3. Test Reports will be Up to and including SECRET.

## SECTION IX

### THIRD PARTY TRANSFERS

9.1. The Receiving Participant will not disclose or transfer any Property, test data or other information provided to it under this MOU to any Third Party without prior written consent of the Providing Participant. The Participants will not disclose any information generated under this MOU to any Third Party without prior written consent of the other Participant. For the purposes of this MOU, the term "Third Party" means a government other than the government of a Participant and any person or other entity whose government is not the government of a Participant.

9.2. Disclosures or transfers requiring authorization under paragraph 9.1. will not be made or authorized unless the Third Party recipient consents in writing that it will not use any such equipment or information for purposes other than those for which it was furnished nor permit any further transfer without the prior written consent of both Participants.

## SECTION X

### LIABILITY

10.1. Subject to paragraph 3.4.5. of this MOU and paragraph 4 of the Chapeau Agreement, claims arising under this MOU will be dealt with in accordance with paragraph 1 of the Chapeau Agreement. The Participants will share any cost required to be shared under subparagraph 1 (b)(ii) of the Chapeau Agreement on the following basis:

10.1.1. Where responsibility for the damage, loss, injury or death can be specifically attributed to one Participant, the cost of handling and settling the claim will be the sole responsibility of that Participant: and

10.1.2. Where both Participants are responsible for the damage, loss, injury or death or it is not possible to attribute responsibility for the damage, loss, injury or death specifically to either Participant, the cost of handling and settling a claim will be distributed equally between them.

10.2. Unless otherwise mutually determined by the Participants, the cost of claims arising as a consequence of a contract will be the sole responsibility of the Participant which is a party to the contract. The Participants will not indemnify contractors against third party liability claims.

## SECTION XI

### SETTLEMENT OF DISPUTES

11.1. Disputes between the Participants arising under or relating to this MOU will be resolved only by consultation between the Participants and will not be referred to a national court, to an international tribunal, or to any other person or entity for settlement.

## SECTION XII

### ENTRY INTO EFFECT, AMENDMENT, AND TERMINATION

12.1. All activities of the Participants under this MOU will be carried out in accordance with their national laws. The responsibilities of the Participants will be subject to the availability of funds for such purposes.

12.2. This MOU may be amended or extended by written mutual consent of the Participants. The loan period specified in paragraph 1.3. may be amended by the written consent of the Providing Participant, provided that any such extension is within the effective period of this MOU.

12.3. This MOU may be terminated at any time:

12.3.1. By mutual consent of the Participants;

12.3.2. By the Receiving Participant on 30 days written notice; or

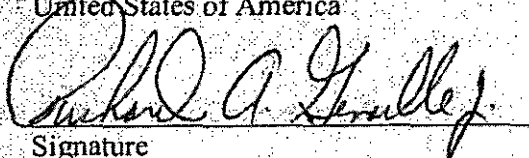
12.3.3. By the Providing Participant at any time.

12.4. Arrangements and responsibilities regarding security and protection of property rights against unauthorized use, disclosure, or transfer that accrued prior to termination or expiration of this MOU will continue to apply without limit of time.

12.5. This MOU will come into effect on the date of the later signature below, and unless terminated or extended, will remain in effect for five years.

The Participants, have signed this MOU in duplicate on the dates indicated below.

For the Department of Defense of the  
United States of America

  
Signature

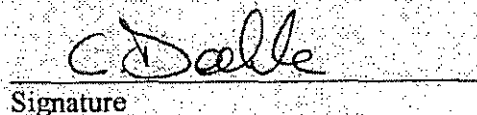
Richard Genaille  
Name

Acting Director of Policy  
Title AF International Affairs

4 March 05  
Date

1500 Rosslyn Blvd, Arlington, VA  
Location

For the Australian Department of Defence

  
Signature

C. DEEBLE  
Name  
DIRECTOR GENERAL  
AEROSPACE DEVELOPMENT  
Title

7 MAR 05  
Date  
RUSSELL OFFICES

CANBERRA AUSTRALIA  
Location